

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6216**

**BILL NUMBER:** HB 1019

**NOTE PREPARED:** Jan 29, 2003

**BILL AMENDED:** Jan 27, 2003

**SUBJECT:** Insurance Coverage for Inherited Metabolic Disease.

**FIRST AUTHOR:** Rep. Frenz

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill requires a state employee health benefit plan, a group accident and sickness insurance policy, and a group health maintenance organization contract to provide coverage for medical food and low protein modified food products prescribed for treatment of an inherited metabolic disease.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** (Revised) The state employee health plan currently provides treatment coverage for phenylketonuria. However, the amended version of this bill includes coverage for medical food and low protein modified food products that are prescribed by a covered individual's treating physician for treatment of the covered individual's inherited metabolic disease. The state insurers have been contacted regarding potential rate increases due to the amended version of this bill. Cost data will be updated when this information becomes available.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) The cost to local government will vary depending upon the structure of their health benefit package. This coverage may already be included in some local government policies. Local governments that do not have this coverage may choose to pass the cost on to employees in the form of higher deductibles, higher premiums, or limiting other conditions covered.

**Explanation of Local Revenues:**

**State Agencies Affected:** Potentially all.

**Local Agencies Affected:** Potentially all local units of government and local school corporations.

**Information Sources:** Keith Beesley, State Department of Personnel, 317-232-3062.

**Fiscal Analyst:** Michael Molnar, 317-232-9559